Application No. 10/518,823
Amendt dated March 12, 2010
Reply to Office action of March 10, 2010

Amendments to the Claims:

This listing of claims will replace all prior versions, and listings, of claims in the application:

Listing of Claims:

Claims

1) (New) A method for pricing a derivative contract comprising:

   a) Receiving via an input device, from one of more users at least one price for each one or more basis instruments contracts (BICs); (See page 5)

   b) Receiving via the input device a request from a user for a price of a derivatives contract; (See pg. 4)

   c) Determining, by a computer linked to the input device, a price that is the most competitive of each of said one or more basis instrument contracts (BICs); (See pg.5)

   d) Decomposing by the computer processor, the derivative contract;

   e) Creating, by the computer processor, a portfolio comprising one or more said basis instrument contracts (BICs) based on the decomposition;

   f) Yielding, by the computer processor, the price of the derivative contract based on the most competitive price for each of the one or more basis instrument contracts (BICs) that comprise the portfolio; (See Fig 4. Pg4)

g) And transmitting, via an output device linked to the processor, the price of the derivative contract to the user that requested the price of the derivative contract.

2) (New) The method of claim 1, incorporated in a derivatives trading or exchange method and comprising a further step of adding to the transmitted price of the derivative contract, an optional service margin.

3) (New) A system for pricing a derivative contract comprising:

An input device configured to:

a) Receive via an input device from one or more users at least one price for each one or more basis instruments contracts (BICs); (See page 5)

b) Receive a request from a user for a price of a derivatives contract; (See pg. 4)

c) Determine a price that is the most competitive of each of said one or more basis instrument contracts (BICs); (See pg.5)

d) Decompose by the computer processor, the derivative contract;

e) Create, by the computer processor, a portfolio comprising one or more said basis instrument contracts (BICs) based on the decomposition;

f) Yield, by the computer processor, the price of the derivative contract based on the most competitive price for each of the one or more basis instrument contracts (BICs) that comprise the portfolio; (See Fig 4. Pg4)

g) And an output device configured to transmit the price of the derivative contract to the user that requested the price of the derivative contract.

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4) (New) The system of claim 3, incorporated in a derivatives trading or exchange system and comprising, a further step to add to the transmitted price of the derivative contract, an optional service margin.

5) (New) A Computer executable program code for pricing a derivative contract and residing on a computer-readable medium, the program code comprising instructions for causing the computer to:

   a) Receive from one or more users at least one price for each one or more basis instruments contracts (BICs); (See page 5)

   b) Receive a request from a user for a price of a derivatives contract; (See pg. 4)

   c) Determine a price that is the most competitive of each of said one or more basis instrument contracts (BICs); (See pg. 5)

   d) Decompose the derivative contract;

   e) Create a portfolio comprising one or more said basis instrument contracts (BICs) based on the decomposition;

   f) Yield the price of the derivative contract based on the most competitive price for each of the one or more basis instrument contracts (BICs) that comprise the portfolio; (See Fig 4. Pg4)

   g) And transmit the price of the derivative contract to the user that requested the price of the derivative contract.